

108TH CONGRESS  
1ST SESSION

# H. R. 1277

To amend the Internal Revenue Code of 1986 to allow a deduction for ground rent paid on land on which a qualified residence of a taxpayer is located and which is allotted or Indian-owned land.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 2003

Mr. HAYWORTH (for himself, Mr. BECERRA, and Mrs. BONO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a deduction for ground rent paid on land on which a qualified residence of a taxpayer is located and which is allotted or Indian-owned land.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. DEDUCTION FOR GROUND RENT ON INDIAN-**  
4                       **OWNED LAND, ETC., ON WHICH A QUALIFIED**  
5                       **RESIDENCE OF A TAXPAYER IS LOCATED.**

6           (a) IN GENERAL.—Paragraph (3) of section 163(h)  
7       of the Internal Revenue Code of 1986 (defining qualified

1 residence interest) is amended by adding at the end the  
2 following new subparagraph:

3 “(E) GROUND RENT ON INDIAN-OWNED  
4 LAND, ETC.—Ground rent paid by a taxpayer  
5 during the taxable year on any lease of land  
6 shall be treated as qualified residence interest  
7 paid by the taxpayer if—

8 “(i) a qualified residence of the tax-  
9 payer is located on such land, and

10 “(ii) such land is owned by an Indian  
11 tribe or held in trust by the United States  
12 for the benefit of an Indian tribe or one or  
13 more members of an Indian tribe as an al-  
14 lotment or otherwise.

15 For purposes of the preceding sentence, the  
16 term ‘Indian tribe’ means any Indian tribe,  
17 band, nation, or other organized group or com-  
18 munity which is recognized as eligible for the  
19 special programs and services provided by the  
20 United States to Indians because of their status  
21 as Indians.”

22 (b) EFFECTIVE DATE.—The amendment made by  
23 this section shall apply to taxable years beginning after  
24 the date of the enactment of this Act.

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